GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3755
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TRADE DEFICIT
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the target for import/export during the last three years has been achieved;

(b) if so, the details thereof;

(c) whether the trade deficit has increased during 2005-06;

(d) if so, the reasons for excessive increase in imports;

(e) the steps taken by the Government to bring situation under control; and

(f) the targets fixed for import/export during 2006-07?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) & (b) The export targets fixed during the last three years and achievements against these targets is given below:-

US $ billion

	Target	Achievement
2003-04	58	64
2004-05	75	81
2005-06	92	101

As can be seen from the above, there has been an over achievement of export targets. No targets are fixed for imports.

(c) to (e) As per the provisional data of the Directorate General of Commercial Intelligence & Statistics, trade deficit increased from around US$ 26 billion in 2004-05 to around US $ 40 billion in 2005-06. The increase in deficit was mainly on account of spurt in international price of crude oil and higher demand for capital goods, raw materials and intermediate goods required by the rapidly expanding manufacturing sector. In view of this there was no action taken by the Govovernment to curb imports or to artificially balance trade.

(f) No targets are fixed for imports. Exports are expected to reach US $ 120 billion by the end of 2006-07.